

AmeriCorps Rulemaking Session

Conference Call
September 10, 2004
12:00 p.m. CDT

Coordinator: Good afternoon and thank you for standing by. At this time all participants are in a listen-only mode. During the presentation we will have a question and answer session. Today's conference is being recorded. If you have any objections you may disconnect at this time.

Now I will turn the meeting over to Mr. David Eisner. Sir, you may begin.

D. Eisner: Thank you very much and thank you, everyone, for joining the call. I'm sorry we started off with technical difficulties. I understand several of you were left on hold for a long period of time. Thank you for persevering.

We're very excited about the proposed rule and in particular about this process for perfecting what we're doing through getting input. Again, thank you for taking the time to join us.

Today joining me we have our General Counsel, Frank Trinity; and other staff who have been part of the rule making team. Rosie Mauk would normally be at my side, but she is ill today. Today's call is to provide an opportunity for folks in the field who are impacted by these rules to express your views on the rules for the record. As the operator mentioned, we're creating a transcript from a recording and we're going to post that transcript on our Web site.

I don't know if others or many of you were on the call we had previously, which was our opportunity to clarify for questions, but in this case we're really not going to be answering questions. I'm not going to be engaging in discussion or providing feedback to comments, although I may be asking questions to make sure that we get as clear as possible on the points that you're making. Then when we get through this process the final rule is going to include a preamble that summarizes and responds to all of the public input we have.

Before we open up the lines for comments I wanted to touch on a few key points about the rule. First of all, and most importantly, what we're doing here is positioning AmeriCorps for growth. By increasing the leverage of federal dollars we are making more resources and more AmeriCorps members available to more programs and we're ensuring that every federal dollar will go further. By making our processes less burdensome and more fair we think that we are creating an opportunity for more programs to participate by resolving longstanding issues we're satisfying a lot of directions from Congress, especially concerning federal share so that we'll put an end once and for all to a lot of discussion that has slowed our momentum in the past. We are intent on making sure; we believe that one of the real drags on growth has been the lack of predictability, the lack of consistency and the fact that all of our grantees have to wait at the beginning of each year to find out, for example, what the cost per FTE is going to be and what our requirements are going to be. We're hoping that through this rule making process we can put predictability and consistency in place so that we end up

with our grantees being able to predict how they're going to build and grow their programs.

We also believe that what we've done here is fair and equitable. On the sustainability side we think that the increased match is gradual and incremental. We think that rising to a 50% aggregate match after ten years is reasonable and that all effective programs should be able to meet it.

We also think that what we've done here is sensitive to the needs of rural, remote, and resource poor programs. We think that we have effectively taken in to consideration all of the requirements and directives from Congress, from the President's executive order, from our board and that we've fairly considered the needs of state commissions, our current grantees, and perspective grantees.

Finally, for all of our beliefs that we've taken this ball a long way down the field, we understand that to get this all of the way down the field we need more input from the public. We need more input from our grantees and we're very grateful that our grantees and our state commissions are continuing to provide us with insight and feedback.

Again, before opening, another comment on process: We're in the middle of a 60-day comment period. We need comments to reach the corporation on or before October 12, 2004. The comments that would be the most helpful for us are the ones that identify clearly the very specific section or sections of the proposed rule that you're addressing with your comments and arranging comments in the same order as the proposed rule. We hope that folks on the call today will be doing that as well.

There are three ways to submit comments. This call and one more conference call on October 7, 2004 from 1:00 to 3:00. Then there are public meetings, which will take place from 9:30 to noon with speakers signing up to speak at 9:00 in five areas, representing our five clusters: Wednesday, September 22nd in Philadelphia; Thursday, September 23rd in Atlanta; Monday, September 27th in Portland; Tuesday, September 28th in Denver; and Friday, October 1st in Chicago.

Then finally, of course, we are looking forward to receiving written comments. You can e-mail, fax, or drop off comments. The e-mail address is proposedrule@cns.gov. You can find the fax number and address for dropping it off on our Web site.

At the conclusion of the comment period the corporation is going to consider all of this input and then we're going to publish a final rule in the Federal Register, which will include a summary, as well as a response to all of the comments that we receive during the comment period. The final rule will take effect no sooner than 30 days after its publication in the Federal Register.

Okay. I've done my job; now we're going to let you guys do yours.

Coordinator: Our first comment is from Bob Gianarasien. You may make your comment at this time, sir.

B. Gianarasien: Thank you. David, thank you for this opportunity to speak with you. I have actually, I'll ask one question and then I'll let some others ask and I'll ask another one later.

My first question is if you all can clarify over the next 30 days if possible or as soon as possible, in terms of the rising match level for national organizations, like Jump Start and others, if we were to establish a new location in a new community, either through our national direct grant, or through the work of a state commission, through a competitive grant from a state commission, or whatnot, would we be required to match at whatever level? How are the years being counted, essentially? Are they being counted based on our parent organization or our newness in a given community? So if we were starting something in Topeka, as we are this year, under the rules would that be a year one or would that be a year whatever Jump Start's parent organization may be in?

D. Eisner: Thank you for the question. I'm hoping that by and large what we're hearing is comments on how people hope this will be resolved. In general this particular issue came up on the last clarifying call and having followed that up with internal discussion we actually think that to the extent that the rule contemplates that it's vague currently. Rather than us making up how we'd deal with the vagueness, we'd prefer getting comments about the right way to deal with that.

B. Gianarasien: Terrific. That's helpful. I think that's what was missing following the last meeting, so I appreciate that.

Coordinator: Our next question comes from Patricia Bolin. You may make your comment at this time, ma'am.

P. Bolin: Thank you, also, for this call. Now that I've heard what you just said to the last question, perhaps that's what you'll say to me. I was confused on the concept of the rolling application process. I thought it was really a great idea, but I was confused about how it would happen, particularly since there would still have to be a point in time in which the cost per member would have to be announced and any increases in the living allowance. But I don't have any suggestion on how to do that.

D. Eisner: I assume you're talking about the rolling basis for continuation applications, which we discussed in the preamble. What we meant to do there is flag the intention of the corporation to sometime soon; redesign our continuation process so that we'd be answering those questions and helping basically do two things, first of all, all a much more streamlined application for continuations. That is far less onerous than the once every three-year application. And second, put the programs in the driver seat in terms of when they make the request and get the response from the corporation. We have not issued that policy and do not anticipate releasing the policy as part of rule making, but outside the rule making process, hopefully soon.

P. Bolin: I guess my final concern would be would there be a time each year that the corporation would announce the cost per member and if there was an increase in the ...

D. Eisner: The rule does anticipate that once a year we would articulate a maximum average cost per member for commissions and an average cost per member for national direct, but remember what we're talking about here is continuation applications. The way that the rule states it is that the assumption is that the continuation applications would be at the same level as the previous year, although the corporation will consider proposals to increase the cost per FTE of an individual continuation application up to the percent of the increase of the member living allowance. So the number that we would release on an annual basis actually won't have a bearing on continuation applications.

P. Bolin: Great. Thank you very much.

Coordinator: Our next comment comes from Shawn Lecher from the Nevada Commission. You may ask your question.

S. Lecher: Thank you for the opportunity to comment on rule making. I think that it's a very good foundation, much needed towards our operational clarity.

I'm the Executive Director of the Nevada Commission for National and Community Service. My concern is regarding part 2550.80, State Commissions Directly Operating Programs. I'm unclear as to where this came from and I've already experienced some concern from other national service partners here in Nevada. My concern is that we will be perceived as being in competition for some of the same funding. I'm wondering if there's more background available or a history as to how this came about, other than the clarification between the rule and the regulation.

D. Eisner: I'm a little concerned with the overall trend that this con period is having on becoming a Q&A session. I'm going to try to curtail my comments as much as possible. I really want to make sure that when we're looking at the record that we're not capturing questions so much as comments.

If I hear you right, you don't like the idea. The basic thing that happened here is we're removing additional restrictions from the state commissions because we were basically directed to provide as much flexibility for the state commissions as we could. There is a statute that says the state commissions can't operate Schedule C funded programs and our restriction on the state commissions was broader and so we basically removed the additional restrictions and made it consistent with the statute.

If I'm hearing your comment right you're saying that you think we should leave it the same so that we don't create a political challenge where people think that you're going to be competing in their turf. Would you like to restate what your position on this is?

P. Bolin: That was a good restatement of it. If we want to go into just a statement or a comment then I would say that the Nevada Commission is concerned that this proposed rule will put us into a position where we are perceived, if only politically, competing for some of the same funding that comes from the corporation from other than the sub-title C arena, specifically the SeniorCorps funding and some of the Vista funding. My concern is that could be detrimental to some of the relationships we have with our national service partners.

D. Eisner: Thank you very much.

P. Bolin: Thank you.

Coordinator: Jean Ambrose, you may make your comment at this time.

J. Ambrose Thank you. I am the Executive Director of the West Virginia Commission and I, along with everyone else, really appreciate this opportunity to speak. Before I ask my question I'd like to comment on what Shawn said. The West Virginia Commission really appreciates the loosening of that rule around the ability to run other programs. We're not intending to run out and do that right now, but we have found that

restrictive in the past and as part of the implementation of our unified state plan. I appreciate Shawn's comment and know this varies a great deal from state-to-state, but I would like to go on record as another commission saying that that was a very welcome change from our neck of the woods.

The question that I have in terms of clarifying the new sustainability table of match is the question that I'm getting from my programs: What are we going to have to do and when? I just wanted to have a restatement or a confirmation of my understanding that a current AmeriCorps grantee who may have been receiving funding for eight or nine or even ten years, according to what the rule proposes, would, for their next year's grant, 2005, whether they're a continuation or a re-compete, would begin the match requirements at year three level, which is basically the way it's been, the 6733 and the 15% cash match.

The next question, the next sentence in the rule ...

D. Eisner: Let me just interrupt for a second. That's a correct understanding and for the record, it will be really helpful to hear from you if you think that's right or if it should be different.

J. Ambrose: I think it's wonderful. I think that's a terrific and very fair place to start for people.

Now, my understanding that then the programs would go to the table and so in their next year's application they would then have to meet a 26% and the second year a 30%. That's the way I read the intent of the rule.

D. Eisner: Yes, that's correct.

J. Ambrose Okay, because the next sentence in the rule says for the first two years that organization, referring to a current grantee, will be required to meet current or marginally higher match before its required share begins to increase more systematically. I guess I didn't quite understand that statement, but your confirmation of my understanding ...

D. Eisner: Just to clarify the statement, we believe that for most programs years three and four will not be all that different. The 26% is pretty close to where most programs are.

J. Ambrose: That's the major question in terms of match. I would say, coming from a very poor state, that I think that the sustainability requirements are reasonable and while many of our programs that we fund through formula funds, small, community based programs really are never going to be able to get to the 50/50 level. They're going to be funded for shorter periods of time and we will need to work with them to see what can be done to support part of or sustain any part of their programs.

For our larger programs that are on competitive funding that operate on a regional basis this is a formula that we can work with and that we don't have any particular recommendations for change. We're happy to see the proposed formula at the level that it is.

D. Eisner: Thank you for your comments.

Coordinator: Our next comment comes from Vicky Tollman. You may make your comment.

L. Jackson: This is Linda Jackson in Missouri. I'm the Executive Director for the Missouri Community Service Commission. David, thank you for giving us this opportunity.

My comment is in reference to 2522.485, Cost Per Full-Time Equivalent. Apparently the average cost per FTE includes planning grants. My comment or recommendation would be to not include the planning grant in the formula.

D. Eisner: Thank you. I believe that the preamble notes that we're considering that.

L. Jackson: Thank you.

Coordinator: At this time there are no further comments.

D. Eisner: Well, that was record fast. It almost makes me want to ask questions myself, but I'll refrain.

I want to thank everyone for participating. I believe that there are a lot of interesting issues that we're going to be talking about as the ... moves forward, particularly as we move into the rest of our comment period. I hope folks are taking the time to look at the grant selection; that folks are taking time to look at the tutoring requirements; that people are looking at the member service activities and how those have been phrased; as well as, as we heard on this call, folks are really focused on sustainability, which is good. I also hope people take the time to look at the requirements around performance measures and evaluation. The more comments we get on those things the better and the more likely we are to end up with rules that not only can everybody live with, but that will improve everybody's opportunity to succeed in the program.

With that, thank you all for joining us.

Coordinator: Sir, we do have another comment if you'd like to take one.

D. Eisner: Sure.

Coordinator: Bob Gianarasien, you may make your comment again.

B. Gianarasien: One other thing that I believe came up in the last meeting that you had had with folks that I unfortunately or no-one from Jump Start could participate in directly: I was wondering if there is any data available, if you can make any data available, on the matching funds? There's some understanding that you all have collected data that showed that there shouldn't be a major difficulty with almost all organizations getting to 50%. My recollection, my understanding, was that you all were going to look into providing that information for the field. I didn't know if that information would be available before the 12th.

D. Eisner: Yes. Thank you for reminding us. We did commit to getting that out. I think it's getting pulled together. Whether it's before the 12th or not I'm not confident, but we'll try to get it out very quickly.

B. Gianarasien: Thank you, David.

D. Eisner: Operator, is that it?

Coordinator: That's it at this time. Yes, sir.

D. Eisner: With that I want to thank everybody for joining and look forward to having the discussion and to hopefully seeing some of you in person as we go to get more input on these rules. Thank you very much, everybody.